

**REMARKS**

Claims 1 and 3-12 are pending in this application after this amendment. Claims 1 and 11-12 are independent. Claim 2 has been canceled without prejudice or disclaimer to the subject matter included therein. New claim 12 has been added for consideration by the Examiner. In light of the amendments and remarks included herein, Applicants respectfully request reconsideration and withdrawal of the outstanding rejections.

By this amendment, Applicants have amended the claims without conceding the propriety of the Examiner's rejection, but merely to timely advance prosecution of the present application.

In the outstanding Official Action, the Examiner maintained his rejection of claims 1-11 under 35 U.S.C. §102(b) as being anticipated by *Shanton* (USP 5,680,452). Applicants respectfully traverse this rejection.

**Examiner Interview**

Applicants wish to thank the Examiner for the Interview conducted on July 20, 2006. During the Interview, Applicants presented arguments that the cited reference fails to anticipate the claimed invention by failing to teach or suggest all of the claim elements, including the necessity determination means and the encryption means as claimed. The Examiner indicated that he would further consider Applicants' arguments upon the filing of a Reply.

**Prior Art Rejection**

By this amendment, Applicants have amended claim 1 to recite, *inter alia*, wherein the necessity determination means determines whether or not to encrypt the received data based on whether the storage form determination means determines that the storage form is volatile or non-volatile. Applicants respectfully submit that *Shanton* fails to teach or suggest this element as recited in the claim. As such, Applicants respectfully request that the outstanding rejection be withdrawn.

In view of the above amendment, Applicants believe the pending application is in condition for allowance.

Should there be any outstanding matters that need to be resolved in the present application, the Examiner is respectfully requested to contact Catherine M. Voisinet, Reg. No. 52,327, at the telephone number of the undersigned below, to conduct an interview in an effort to expedite prosecution in connection with the present application.

If necessary, the Commissioner is hereby authorized in this, concurrent, and future replies to charge payment or credit any overpayment to Deposit Account No. 02-2448 for any additional fees required under 37.C.F.R. §§1.16 or 1.14; particularly, extension of time fees.

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Respectfully submitted,

By   
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